



Foreign Agricultural Service

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## Spain

### Grain and Feed

# Status of Spain's Reduced Duty Grain Import Quota 2002

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#### Report Highlights:

**Due to the high CIF price for U.S. sorghum during the past year and a half, only minimal amounts have been imported under the U.S.-EU Enlargement Agreement. The EU's moratorium on GMOs continues to keep U.S. corn out of the Spanish market. Based on final import data for the last few years and taking only into account imports in the Peninsular Spain (Canary Islands imports of corn are excluded), about 1,185,696 metric tons of corn and 453,339 metric tons of sorghum remain to be imported by Spain by February 28, 2003 in order to meet the requirements established under the U.S.-EU Enlargement Agreement.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Madrid [SP1], SP

## Executive Summary

During the last two years, the CIF price for U.S. sorghum has been above the price in the domestic market and has prevented significant imports of sorghum under the U.S.-EU Enlargement Agreement.

The EU's strategy of postponing the approval of certain U.S. genetically improved corn varieties continues to prevent U.S. corn from being imported under the EU's reduced duty corn quota for Spain. Without a resolution to this trade barrier, no further imports of U.S. corn are expected under the agreement.

According with the Commission regulation (EC) 2235/2000, for CY 2001 and CY 2002, the Spanish flint corn imports have been removed from total corn imports to calculate corn import requirements under the Agreement.

Spanish Customs statistics have been used for all years except for CY 2002 and to calculate imports of flint corn in CY 2000 and 2001.

The imports in Canary Islands have been excluded in the calculation of the quotas for years previous 2000. The inclusion of Canary Islands' corn imports in the calculation of the corn quota is not consistent with the terms of the U.S.-EU Enlargement Agreement (EA), the United States negotiated compensation during the Spanish and Portuguese accession based on trade with Peninsular Spain, where the U.S. was being adversely affected by Spain's adoption of the EU's variable levy system. For CY 2000 and 2001, Canaries imports statistics are not available.

IMPORTS IN CY								SHORTFALLS	
Year	Corn Total impots	Corn Peninsula	Sorghum	Corn Gluten	Brewer's d.g.	Citrus Pulp	Total by products	Corn shortfall	Sorghum shortfall
1995	2,571,563	2,571,563	420,182	783,575	140,617	28,084		0	0
1996	1,272,329	1,165,219	392,749	619,486	50,092	52,660	722,238	207,434	0
1997	1,454,954	1,328,861	148,932	638,260	48,339	19,707	706,306	265,087	58,248
1998	934,514	666,126	227,977	710,764	63,405	7,701	781,870	919,734	27,628
1999	1,590,003	1,580,619	207,208	684,618	68,224	321	753,163	684,863	21,508
2000	1,454,152		189,287	728,459	61,652	14,003	804,114	558,256	26,686
2001	1,404,533		676	597,349	37,073	15,356	649,778	671,696	240,539

For the period October 14, 2000 - December 31, 2000, Spanish imports of flint corn have been estimated at about 26,124 tons. For CY 2001, Spanish imports of flint corn amounted to 108,404 tons.

**2000 Corn Shortfall (Metric Tons)**

Total Import Requirements for 2000	<b>2,300,000</b>
Minus 2000 Import of Corn Gluten, Brewers Grains, and Citrus Pulp	<b>(804,114)</b>
Total Corn and Sorghum Required to be Imported Under the Quota	<b>1,495,886</b>
2000 Corn Import Requirement (87 percent of Total 2000 Quota)	<b>1,301,421</b>
Plus 1999 Corn Shortfall	<b>684,863</b>
2000 Total Import Requirement	<b>1,986,284</b>
Minus 2000 Corn Imports	<b>1,454,152</b>
Plus Spanish flint corn imports after October 13, 2000	<b>26,124 est</b>
Total 2000 Corn Shortfall	<b>558,256</b>

**2000 Sorghum Shortfall**

2000 Sorghum Import Requirement (13 Percent of Total 2000 Quota)	<b>194,465</b>
Plus 1999 Shortfall	<b>21,508</b>
Minus 2000 Imports	<b>(189,287)</b>
2000 Sorghum Shortfall	<b>26,686</b>

**2001 Corn Shortfall (Metric Tons)**

Total Import Requirements for 2001	<b>2,300,000</b>
Minus 2001 Import of Corn Gluten, Brewers Grains, and Citrus Pulp	<b>(649,778)</b>
Total Corn and Sorghum Required to be Imported Under the Quota	<b>1,650,222</b>
2001 Corn Import Requirement (87 percent of Total 1999 Quota)	<b>1,435,693</b>
Plus 2000 Corn Shortfall	<b>558,256</b>
2001 Total Import Requirement	<b>1,967,825</b>
Minus 2001 Corn Imports	<b>(1,404,533)</b>
Plus 2001 Corn flint imports	<b>108,404 est</b>
Total 2001 Corn Shortfall	<b>671,696</b>

**2001 Sorghum Shortfall**

2001 Sorghum Import Requirement (13 Percent of Total 2001 Quota)	<b>214,529</b>
Plus 2000 Shortfall	<b>26,686</b>
Minus 2001 Imports	<b>(676)</b>
2001 Sorghum Shortfall	<b>240,539</b>

**Outstanding 2002 Corn Quota**

Total Import Requirements for 2002	<b>2,300,000</b>
Minus 2002 Import Forecast for Corn Gluten, Brewers Grains, and Citrus Pulp	<b>(600,000)</b>
Estimate of Total Corn and Sorghum Required to be Imported Under the Quota	<b>1,700,000</b>
Estimate of 2002 Corn Import Requirement (87 percent of Total 2000 Quota)	<b>1,479,000</b>
Plus 2001 Corn Shortfall	<b>671,696</b>
Estimate of 2002 Total Import Requirement	<b>2,150,696</b>
Minus 2002 imports (based on EU tenders for 2002)	<b>(1,075,000)</b>
Plus Flint Corn Imports Forecast for 2002	<b>110,000</b>
Estimated Total Outstanding Corn Quota for 2002	<b>1,185,696</b>

**Outstanding Sorghum 2002 Quota**

Estimate of 2002 Sorghum Import Requirement (13 Percent of Total 2002 Quota)	<b>221,000</b>
Plus 2001 Shortfall	<b>240,539</b>
Minus 2002 Imports (Jan/May) and (based on EU tenders for 2002)	<b>8,200</b>
Estimated Total Outstanding 2002 Sorghum Quota	<b>453,339</b>